

  
**SOVRAN**  
LEASING CORPORATION

9-361A101

RECORDATION NO. 16704 FILED 1989

December 20, 1989

DEC 26 1989 -4 05 PM

INTERSTATE COMMERCE COMMISSION

Secretary of the Interstate Commerce Commission  
12th and Constitution Avenue, N.W.  
Washington, DC 20423

RECORDATION NO. 16704 FILED 1989

DEC 26 1989 -4 05 PM

INTERSTATE COMMERCE COMMISSION

Re: Recordation of Lease Between Sovran Leasing Corporation and Federal Paper Board Company, Inc.

Dear Secretary:

On behalf of Sovran Leasing Corporation, I have enclosed an original and one certified copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code. Such document is a "primary document" as defined in 49 C.F.R. § 1177.1(a).

The document to be recorded is Supplementary Schedule #5-50 dated December 5, 1989 (the "Supplementary Schedule"), to Master Equipment Lease #6863 dated June 10, 1988 (the "Master Lease"), between Sovran Leasing Corporation, as Lessor, and Federal Paper Board Company, Inc., as Lessee (the Supplementary Schedule and the Master Lease hereinafter are referred to collectively as the "Lease"). The Master Lease provides that its terms and conditions shall apply to each supplementary schedule entered into from time to time, properly executed and made subject to such terms and conditions, as if a separate lease were executed for each supplementary schedule. Thus, a certified copy of the Master Lease is enclosed for recording together with the original Supplementary Schedule, which has been acknowledged in the form required by 49 C.F.R. § 1177.3(a)(2).

The names and addresses of the parties to the Lease are as follows:

Lessee: Federal Paper Board Company, Inc.  
75 Chestnut Ridge Road  
Montvale, NJ 07645

Lessor: Sovran Leasing Corporation  
Three Gateway Center, Suite 300  
Pittsburgh, PA 15222

Secretary of the Interstate  
Commerce Commission  
December 20, 1989  
Page 2 of 2

A description of the equipment covered by the Lease follows:

Nine (9) 100-Ton 8,253 Cubic Foot Wood Chip Twin Tub Gondola Cars, Specification No. GT-8253-89Q407, consisting of Car Numbers FPBX 549, FPBX 551, FPBX 552, FPBX 554, FPBX 555, FPBX 556, FPBX 557, FPBX 558, FPBX 559.

Also enclosed is a check in the amount of \$15.00 in payment of the filing fee for the Lease. Please return the original and any extra copies not needed by the Commission for recordation to the undersigned at Sovran's address as set forth above.

A short summary of the document to appear in the index follows:

Supplementary Schedule #5-50 dated December 5, 1989, to Master Equipment Lease #6863 dated June 10, 1988, between Sovran Leasing Corporation, as Lessor, and Federal Paper Board Company, Inc., as Lessee, covering Nine (9) 100-Ton 8,253 Cubic Foot Wood Chip Twin Tub Gondola Cars, Specification No. GT-8253-89Q407, consisting of Car Numbers FPBX 549, FPBX 551, FPBX 552, and FPBX 554 through FPBX 559 inclusive.

Very truly yours,

SOVRAN LEASING CORPORATION

By: 

John M. Banda  
Vice President

**SOVRAN**  
LEASING CORPORATION

**Sovran Leasing Corporation, LESSOR**

XX  
Three Gateway Center, Suite 300  
Pittsburgh, PA 15222

**Supplementary Schedule**

Lease # 6863 ; Schedule # 5-50

Full Legal Name and Address of Lessee (Include Zip Code)	Supplier of Equipment
Federal Paper Board Company, Inc. 75 Chestnut Ridge Road Montvale, NJ 07645	Thrall Car Manufacturing Co. P.O. Box 218 Chicago Heights, IL 60411
Person to Contact <u>Patricia M. Roche</u>	Represented By <u>Jack Bertram</u>
Description of Equipment Leased	

Nine (9) 100-Ton 8,253 Cubic Foot Wood Chip Twin Tub Gondola Cars  
(Specification No. GT-8253-89Q407)  
Car Nos: FPBX 549, FPBX 551, FPBX 552, FPBX 554, FPBX 555, FPBX 556,  
FPBX 557, FPBX 558, FPBX 559  
Invoice Total: \$444,496.50

Initial Term of Lease	<u>One-Hundred Eighty (180) Months</u>	Beginning on	<u>January 1, 1990</u>
Total No. of Rental Payments	<u>One-Hundred Eighty (180) - 90 @</u>	<u>.0082008</u>	and <u>90 @ .0100232</u> Monthly in advance
Lease Rental Payments	\$ <u>90 @ \$3,645.23</u>	Plus applicable taxes each	<u>Month</u>
followed by	\$ <u>90 @ \$4,455.28</u>	Plus applicable taxes each	<u>Month</u> (Period)
followed by	\$ <u>-----</u>	Plus applicable taxes each	<u>-----</u> (Period)
Aggregate Total Rent	\$ <u>729,045.90</u>	Plus applicable taxes	<u>-----</u> (Period)
Advance Payment	First payment and last <u>-0-</u> payments		

The advance rentals upon acceptance of Schedule by Lessor are **NOT REFUNDABLE**

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the Equipment described above on the terms and conditions set forth above and pursuant to and subject to all terms and conditions of that Master Equipment Lease dated June 10, 1988 between Lessee and Lessor See Annex A attached hereto and incorporated as a part hereof by this reference.

Location of Equipment & Billing Address	Additional Provisions
Federal Paper Board Company, Inc. Street or R.R. <u>Route 1 - Box 279</u> Municipality <u>Union</u> County <u>SC</u> State <u>29379</u> Attn: <u>Mill Manager</u>	Interim rent to be charged at \$135.01 per day from the date Lessor funds Equipment supplier to the lease commencement date.

Attest:  
(Witness) [Signature]  
Sovran Leasing Corporation  
Accepted. December 8, 19 89  
By [Signature]  
(Signature) Senior Vice President

FEDERAL PAPER BOARD COMPANY, INC.  
(Name of Lessee)  
By [Signature]  
(Signature) Assistant Secretary (Title)  
Date 12/5/89

ANNEX A  
TO SUPPLEMENTARY SCHEDULE # 5-50  
TO MASTER EQUIPMENT LEASE # 6863

This Annex A constitutes an integral part of Supplementary Schedule # 5-50 dated December 5, 1989, to the Master Equipment Lease numbered 6863 dated June 10, 1988 (collectively, the "Lease"), between SOVRAN LEASING CORPORATION (the "Lessor") and FEDERAL PAPER BOARD COMPANY, INC. (the "Lessee"). Words and terms which are defined in the Lease shall have the same meanings herein as therein provided.

For the purpose of Supplementary Schedule # 5-50, the following provisions are hereby made a part of and incorporated in the Lease:

(a) Pursuant to the provisions of Paragraph 4 of the Lease, Lessee agrees to comply in all respects with all laws of the jurisdictions in which the Equipment may be operated, with all applicable rules of the Association of American Railroads, and with all laws, rules, regulations and orders of the Department of Transportation and the Interstate Commerce Commission and any other federal, state or local legislative, executive, administrative or judicial body exercising any power of jurisdiction over the Equipment (collectively, "Applicable Laws"). In the event that any Applicable Law requires the alteration of any Equipment, or in case any Equipment or accessory or attachment thereto shall be required to be changed or replaced, or in case any additional or other accessory or attachment is required to be installed on any Equipment in order to comply with Applicable Laws, Lessee agrees to make such alterations, changes, additions and replacements at its own expense; and Lessee agrees at its own expense to use, store, maintain and operate the Equipment in full compliance with the Applicable Laws throughout the term of this Lease.

(b) In addition to its covenants and agreements under Paragraph 4 of the Lease, Lessee agrees that the Equipment will be used primarily in the continental United States and that Lessee will use its best efforts to cause any Equipment which is used outside of the continental United States to remain outside of the continental United States for the shortest possible time.

(c) In addition to its covenants and agreements under Paragraph 3 of the Lease, Lessee agrees that it will, at its expense prior to the delivery and acceptance of any Equipment under the Lease, cause the Lease to be filed and recorded with the Interstate Commerce Commission in accordance with Section 11303 of the Revised Interstate Commerce Act and the regulations promulgated thereunder.

(d) Pursuant to the provisions of Paragraph 3 of the Lease, Lessor hereby requires and Lessee hereby agrees that:

(i) Lessee shall install within 45 days of Equipment acceptance and maintain on each side of each item of Equipment the following identification in block letters not less than two inches high: "SOVRAN LEASING CORPORATION, OWNER-LESSOR", or other appropriate words designated by Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of Lessor to the Equipment and the rights of the Lessor under this Lease;

(ii) Lessee will use its best efforts to replace promptly any such markings which may be removed, defaced or destroyed;

(iii) Lessee shall maintain on each unit of Equipment the serial and other identifying numbers set forth on the Delivery Certificate and Acceptance Receipt, and Lessee will not change the identifying number of any Equipment except in accordance with a statement of new identifying numbers to be substituted therefor, which statement previously shall have been delivered to Lessor by Lessee and filed, recorded or deposited by Lessee in all public offices where this Lease or any notice thereof shall have been filed, recorded or deposited; and

(iv) Except as provided in the preceding clauses (d) (i) and (d) (iii), Lessee will not allow the name of any person, corporation or other entity to be placed on any Equipment that might be interpreted as a claim of ownership; provided, however, that Lessee may cause Equipment to be lettered with the names or initials or other insignia customarily used by Lessee on railroad equipment used by Lessee of the same or a similar type for convenience of identification of Lessee's right to use such Equipment as permitted under this Lease.

(e) In lieu of the provisions of the first sentence of Paragraph 14 of the Lease, Lessee hereby agrees as follows:

(i) At the expiration or sooner termination of the Lease Term, Lessee shall return the Equipment to Lessor, free of all Lessee advertising or insignia placed thereon by Lessee, in a condition which complies with all Applicable Laws, and in the same operating order, repair, condition and appearance as when originally received by Lessee, reasonable wear and tear alone excepted, and Lessee shall pay or reimburse Lessor for the cost of all repairs necessary to restore the Equipment to such condition as to meet AAR standards; and

(ii) At its expense, Lessee shall return the Equipment to Lessor at Santuc, SC or Augusta, GA or at a location not to exceed 200 miles from Santuc, SC or Augusta, GA upon railcar storage tracks designated by Lessor. If Lessee has not received return directions from Lessor by termination of the Lease Term, then Lessee shall secure storage from the railroad at Lessor's reasonable cost and risk.

In the event of any inconsistency between any provision of this Annex A and any other provision(s) of the Lease, the provisions of this Annex A shall be controlling, but only to the extent of such inconsistency.

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Three Gateway Center, Suite 300  
Pittsburgh, PA 15222  
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*Delivery Certificate And Acceptance Receipt*

LEASE NO. 6863

Schedule #5-50

TO: SOVRAN LEASING CORPORATION

DESCRIPTION OF EQUIPMENT LEASED

Nine (9) 100-Ton 8,253 Cubic Foot Wood Chip Twin Tub Gondola Cars  
(Specification No. GT-8253-89Q407).  
Car Nos: FPBX 549, FPBX 551, FPBX 552, FPBX 554, FPBX 555, FPBY 556,  
FPBX 557, FPBX 558, FPBX 559  
Invoice Total: \$444,496.50

The undersigned Lessee hereby acknowledges receipt of the within described equipment, fully installed, in good working condition and accepts such equipment as satisfactory for all purposes of the Lease after full inspection thereof. Lessee certifies that Lessor has fully and satisfactorily performed all covenants and conditions to be performed by and under the Lease with the undersigned, and has delivered the equipment selected solely by Lessee in accordance with Lessee's directions.

Lessee acknowledges that Lessor, relying on this Certificate, will promptly pay vendor upon receipt of original invoice in proper form or bill of sale, for the equipment accepted thereby, and that rental payments as specified in the Lease shall be due after the date below throughout the term of the Lease.

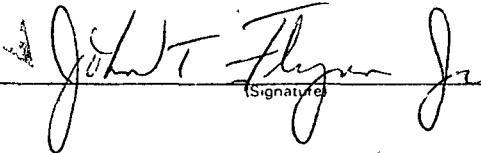
LESSEE ACKNOWLEDGES THAT THE LESSOR HAS MADE AND MAKES NO REPRESENTATION OR WARRANTIES OF WHATSOEVER NATURE, EXPRESS OR IMPLIED, AS TO THE SUITABILITY, DURABILITY, FITNESS FOR USE, MERCHANTABILITY, CONDITION, QUALITY, OR OTHERWISE OF THE EQUIPMENT, AND LESSEE AFFIRMS THAT IT HAS NO DEFENSES OR COUNTERCLAIMS AGAINST LESSOR IN CONNECTION WITH THE SAID LEASE.

~~Lessee acknowledges that Lessor has made and makes no representation or warranties of whatsoever nature, express or implied, as to the suitability, durability, fitness for use, merchantability, condition, quality, or otherwise of the equipment, and Lessee affirms that it has no defenses or counterclaims against Lessor in connection with the said lease.~~

FEDERAL PAPER BOARD COMPANY, INC.

(Lessee)

BY:



(Signature)

Assistant Secretary

(Title)

LESSEE'S ACCEPTANCE

Date:

12/5/89

IMPORTANT

Lessee must fill in date above  
or lease will not commence



SOVRAN LEASING CORPORATION, LESSOR  
XX  
Three Gateway Center, Suite 300 XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX  
Pittsburgh, PA 15222

*Personal Property Taxes*

Lease No. 6863  
Schedule #5-50

Tax laws require Sovran Leasing Corporation, as legal owner of your leased equipment, to be responsible for listing the equipment under this lease contract, and any supplements thereto, for any Federal, State, County, or Municipal taxes applicable to this leased property, and for timely payment of taxes assessed thereon.

Paragraph Five of your lease agreement defines your responsibility for reimbursement of these taxes to Sovran Leasing Corporation promptly as Lessee.

Please acknowledge your understanding and acceptance of these conditions by signing and dating below:

I (We) will declare when listing property to taxing authorities, the equipment covered by this and any subsequent leases as LEASED equipment only.

I(We) will immediately notify Sovran Leasing Corporation of any change in location of this equipment.

I (We) will reimburse Sovran Leasing Corporation promptly upon receipt of invoice for any taxes paid by Sovran Leasing Corporation assessed on equipment we are leasing therefrom. ~~XX~~  
~~XX~~

\_\_\_\_\_  
(Street Address)  
  
\_\_\_\_\_  
(City)  
  
\_\_\_\_\_  
(County)  
  
\_\_\_\_\_  
(State)

FEDERAL PAPER BOARD COMPANY, INC.  
\_\_\_\_\_  
(Lessee)  
↓ *John T. Flynn Jr*  
\_\_\_\_\_  
(Signature)  
*Assistant Secretary*  
\_\_\_\_\_  
(Title)  
*12/5/89*  
\_\_\_\_\_  
(Date)



# SOVRAN LEASING CORPORATION, LESSOR

XX  
Three Gateway Center, Suite 300  
Pittsburgh, PA 15222

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## Fair Market Value Purchase Option

Lease No: 6863

### Schedule #5-50

WHEREAS, SOVRAN LEASING CORPORATION (hereinafter referred to as "Lessor"), and \_\_\_\_\_

FEDERAL PAPER BOARD COMPANY, INC. ,

located at 75 Chestnut Ridge Road, Montvale, NJ 07645 ,

(hereinafter referred to as "Lessee"), have heretofore on June 10 , 19 88 , entered into a

Lease Agreement (hereinafter called "Lease"), covering certain personal property (hereinafter referred to as "Equipment") described in the Lease.

NOW THEREFORE, the provisions of the aforementioned Lease notwithstanding, Lessor and Lessee mutually agree that Lessee has three (3) options at the termination or expiration of the Lease, namely:

any or

(1) Purchase ~~the Lease~~ all of the Equipment for the Equipment's then Fair Market Value, plus applicable taxes.

any or all of the equipment

(2) Renew ~~the Lease~~ with rental payments based upon the Equipment's then Fair Market Value, plus applicable taxes.

any or all of

(3) Return ~~the Lease~~ the Equipment to the Lessor pursuant to Paragraph 14 of the Lease.

FEDERAL PAPER BOARD COMPANY, INC.

(LESSEE)

By: 

Title: Assistant Secretary

Date: 12/5/89

ACCEPTED:

SOVRAN LEASING CORPORATION

(LESSOR)

By: 

Title Senior Vice President

Date December 8, 1989

STATE OF New Jersey  
COUNTY OF Bergen

)  
)  
) SS:

On this 5<sup>th</sup> day of December, 19 89, before me, personally appeared John T. Flynn, Jr., to me personally known, who being by me duly sworn, says that (\*)he is the Assistant Secretary of FEDERAL PAPER BOARD COMPANY, INC., that the seal affixed to the foregoing Supplementary Schedule # 5-50 to Master Equipment Lease #6863 is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation and (\*)he acknowledged that the execution of said instrument was the free act and deed of said corporation.

Marlene A. Vangelas  
Notary Public

(Seal)

My Commission expires: MARLENE A. VANGELAS  
NOTARY PUBLIC OF NEW JERSEY  
MY COMMISSION EXPIRES JAN. 19, 1991

-----  
STATE OF Pennsylvania  
COUNTY OF Allegheny

)  
)  
) SS:

On this 8th day of December, 19 89, before me, personally appeared Paul L. Frihse, to me personally known, who being by me duly sworn, says that (s)he is the Senior Vice President of SOVRAN LEASING CORPORATION, that the seal affixed to the foregoing Supplementary Schedule # 5-50 to Master Equipment Lease #6863 is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of said instrument was the free act and deed of said corporation.

Donald E. Grier  
Notary Public

(Seal)

My Commission expires:

